



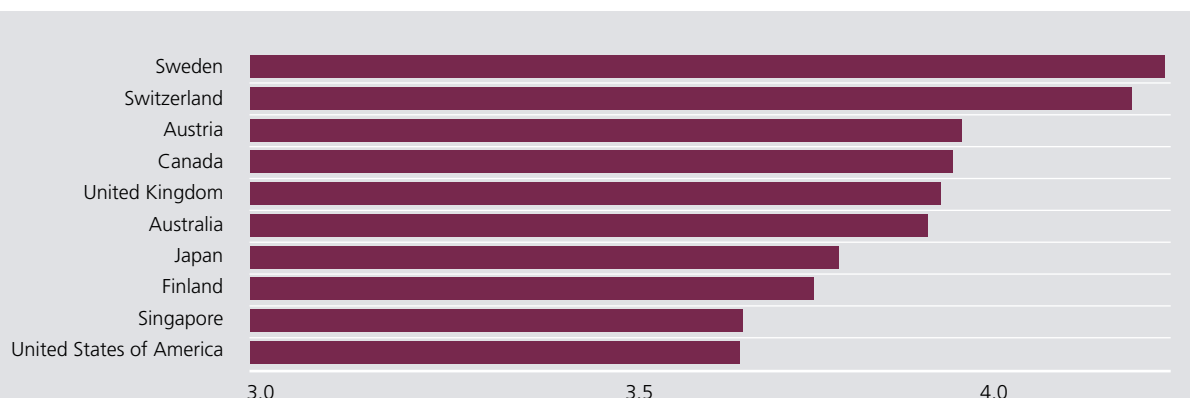
Sovereign Supra: A New Extra-Financial Solution for Fixed Income Investments

The current financial crisis has led to a flight to safety, creating an increased interest in sovereign and quasi sovereign bonds. At the same time investors want greater transparency on these debt issuing entities. With the ASSET4 Sovereign Supra solution investors can now easily evaluate the environmental, social and governance performance of countries, local authorities, private and state-owned companies and supranationals.

A key advantage of the overall ASSET4 product family, which also includes *assetmasterProfessional* for equities, is that investors have access to a consistent and reliable classification schema across asset classes including both equity AND fixed income securities.

The current Sovereign Supra universe covers 67 countries, 33 local authorities, 127 companies (private and state-owned) and 20 supranational entities, and is continually being enlarged based on customer requirements. For each entity approximately 150 ESG key performance indicators (KPIs) are tracked including total CO₂ emissions, biodiversity, corruption rank, income inequality and literacy rate (see short list on next page). The solution is completely flexible, allowing users to group KPIs into customised categories and/or select those they want to evaluate. The weight of each KPI is also completely customisable. Users simply choose the entities they are interested in and all scores and rankings will be based on the set of countries/companies selected and weights defined by the user. The reports are now available in Excel and through a web-based interface later in 2009.

Top 10 Countries in Terms of Strategic Governance Performance



Note: Possible scores were 1 to 5 with 5 being the best.

Source: ASSET4

Like all of ASSET4's products, transparency is built-in, which means that users are provided the values and raw data (publisher, publication date, etc.) for each KPI, as well as the scores for KPIs, categories, pillars and overall entity scores. All scores are computed based on performance and are not absolute but relative to the benchmark and weightings defined by the client.

Examples of the over 150 separate KPIs we collect on each entity in our database.

Social (92 KPIs):

■ **Education**

Public Spending on Education

Literacy Rate

■ **Health**

Life Expectancy at Birth

Infant Mortality Rate

■ **Human Welfare**

Population Under the Poverty Line

Income Inequality

■ **Human Rights**

Forced Migration

Freedom of Press

■ **Discrimination**

Girls' Enrollment in Education / Boys

Unemployment Rate of Women / Men

Representation of Women in Parliament

■ **Political Rights**

Democracy Rank

Abusive Arrests and Detentions

■ **Labour Standards**

Freedom of Association

Minimum Wage

Environment (43 KPIs):

■ **Emissions**

Electricity Consumption per Capita

Total CO₂ Emissions

■ **Resources**

Nuclear Power

Use of Biomass and Waste

Use of Gas

■ **Biodiversity**

Protected Areas

Convention on Biological Diversity

Strategic Governance (19 KPIs):

■ **Corruption**

Corruption Rank

Bribe Payers Index

■ **Governance**

Banking System Regulation

National Code of Corporate Gov.

Basel Principles

■ **Innovation**

R&D Expenditures

Internet Users

Students in Science

Examples of the our continually growing universe of entities:

Countries include:

Argentina, Australia, Austria, Belgium, Brazil, Bulgaria, Canada, Chile, China, Colombia, Croatia, Cyprus, Czech Republic, Denmark, Dominican Republic, Ecuador, Egypt, Estonia, Finland, France, Greece, Hong Kong, Hungary, Iceland, India, Indonesia, Ireland, Israel, Italy, Japan, Kuwait, Latvia, Lithuania, Luxembourg, Malaysia, Malta, Mexico, Morocco, Netherlands, New Zealand, Norway, Pakistan, Panama, Peru, Philippines, Poland, Portugal, Qatar, Romania, Russia, Singapore, Slovak Republic, Slovenia, South Africa, South Korea, Spain, Sweden, Switzerland, Taiwan, Thailand, Tunisia, Turkey, United Kingdom, United States of America, Venezuela, Vietnam

Local authorities include:

Quebec, Ontario, Baden-Württemberg, Bayern, Berlin, Brandenburg, Bremen, Hessen, Niedersachsen, NordRhein-Westfalen, Rheinland-Pfalz, Sachsen-Anhalt, Schleswig-Holstein, Thuringen, Catalunya, Comunidad Valenciana, Andalucia, Comunidad Madrid, Ayuntam de Madrid, City of Rome, Comune di Milano, Region of Lazio, Region of Sicily, Region of Campania, Sardinia Region, Region Marche, Friuli-Venezia, Region of Liguri, City of Naples, Tokyo Metropolitan Government, City of Moscow

State-Owned and Private Companies and Supranationals include:

Caisse d'Amortissement de la Dette Sociale, Caisse Nationale des Autoroutes, Deutsche Bahn, Freddie Mac, La Poste, Reseau Ferre de France, Rentenbank, SNCF, ASFINAG, ERAP, Hypo Alpe-Adria-Bank International AG, Instituto de Credito Oficial, KfW, NRW.BANK, L-Bank, Oesterreichische KontrollBk., SCHIG, UNEDIC, European Investment Bank, International Bank for Reconstruction and Development, EUROFIMA, Inter-American Development Bank, Council of Europe, European Bank for Reconstruction and Development, Nordic Investment Bank Europe